

Purpose

To approve the fixed asset system used by Utah Department of Transportation and to identify the policies and procedures needed to safeguard the assets owned or controlled by the department.

Policy

The Department of Transportation will adopt the current State Division of Finance Policies and Procedures for fixed assets. UDOT will, also, implement the current fixed asset system supported by State Finance.

In addition, each division, office, region, or district will inventory and track all “sensitive property” assigned to it, regardless of cost. Such items will be conspicuously tagged with a UDOT property tag.

Background

The Federal Highway Administration (FHWA) has provided and continues to provide funding for many highway projects. Because some of these funds are used to acquire various assets needed for projects, FHWA has requested that UDOT safeguard all “sensitive property,” regardless of cost.

Definitions

Fixed assets are assets that are acquired for use in the operations of the department and are not for resale nor investment purposes. The fixed asset classification includes land, buildings, equipment, furniture, and vehicles; it does not include **infrastructures**. Each asset should have a **useful life of greater than one year and cost \$5,000 or more**.

Fixed asset components and related costs are as follows: Components are grouped assets that cannot function independently. Example (1) Data processing equipment purchased as a component system will include all hardware, software, connection components, installation costs, set-up costs, freight, and related expenses which are part of the systems budget. Example (2) Related costs of equipment and machinery include freight charges, installation costs, and set-up costs. Related costs for land and buildings include title search costs, attorney fees, architect fees, etc.

Infrastructures are immovable assets such as bridges, walkways, drainage systems, right-of-ways, and lighting systems. These assets are owned/controlled by the state and local government; however, infrastructures are not recorded in the fixed asset system.

Sensitive property is defined as items having popular appeal which are difficult to control. Examples include cameras, video equipment, laptop computers, surveying equipment, etc.

Fixed Asset classifications of equipment, furniture, and vehicles are categorized as follows:

Non-Rate Reimbursed Equipment: This includes lab equipment, office equipment, copying equipment, and small tools. The lab equipment referred to here is that which is owned by the Materials Division, Region Material Labs, District Materials Labs, or Project Labs. Lab equipment considered as fixed assets will be identified with a UDOT tag number beginning with code 40, 43, or 44. Office equipment considered a fixed asset will be tagged with UDOT identification code number 50, copying equipment will be tagged with UDOT identification code number 41. For these assets, inventory control is the responsibility of the owner/user in that division, region, or office.

Rate Reimbursed Equipment: This group of assets includes vehicles, heavy equipment, construction and engineering equipment, and shop and plant maintenance equipment. These assets will be marked with UDOT identifications numbers beginning with codes 01 through 38, and 45 through 46. The Equipment Operations Manager in the Maintenance Planning Division has department-wide authority and inventory control for these types of assets.

Data Processing Equipment: All computer equipment is considered the property of UDOT Information Systems Services (ISS). The ISS management maintains inventory control for all computer equipment in the department. All data processing equipment will be labeled with a UDOT tag number 42.

Procedures

Fixed Asset Control

UDOT 02-25.1

Responsibility: Procurement

Actions

1. Purchases of accountable fixed assets (cost of \$5,000 or more) will be coded with the following capital outlay object codes on the payment voucher when the assets are purchased:

 6600 through 6687 - Data Processing Equipment, Software, and Components

 6700 through 6787 - Equipment, Furniture, and Vehicles

 6800 through 6803 - Buildings

 6900 through 6902 - Land
2. Refer to the current State Division of Finance Policies and Procedures for purchases more than \$5,000. See **FIACCT 04-05.00**.

Responsibility: Fixed Asset Accountant - Comptroller's Office

3. Use the UDOT identification number to track and maintain records of fixed assets from purchase to surplus to retirement.
4. Refer to current State Division of Finance Policies and Procedures for fixed assets. See **FIACCT 18-00.00**.

Responsibility: Divisions, Offices, Regions, or Districts (Any organization that purchases or has responsibility for non-rate reimbursed fixed assets or sensitive property)

5. Contact the Fixed Asset Accountant in the Comptroller's Office for equipment tags and log sheets.
6. Refer to the current State Division of Finance Policies and Procedures for fixed assets. See **FIACCT 18-00.01**.
7. When equipment is no longer useable and will be sent to State Surplus Property, be sure to advise Fixed Asset Accountant of the asset identification numbers on all equipment costing more than \$5,000. See **UDOT 02-40** for Surplus Property Policy and Procedures.

Responsibility: Equipment Maintenance Management (Personnel responsible for rate-reimbursed equipment)

8. Provide the Fixed Asset Accountant in the Comptroller's Office with monthly Equipment Management System (EMS) Added Equipment Reports showing equipment identifications numbers.
9. Refer to current State Division of Finance Policies and Procedures for fixed assets. See **FIACCT 18-00.01**.
10. As equipment becomes exhausted and turned over to State Surplus Property, send lists of asset identification numbers to Fixed Asset Accountant. See **UDOT 02-40** for Surplus Property Policy and Procedures.

Responsibility: Information Analyst Supervisor (Personnel responsible for Data Processing Equipment)

11. Provide the Fixed Asset Accountant in the Comptroller's Office with a listing of data processing identification numbers.
12. Refer to current State Division of Finance Policies and Procedures for fixed assets. See **FIACCT 18-00.01**.
13. When data processing equipment is no longer useable and will be sent to State Surplus Property, inform Fixed Asset Accountant of the asset identification numbers on all equipment costing more than \$5,000. See **UDOT 02-40** for Surplus Property Policy and Procedures.

Responsibility: Facilities Maintenance Manager (Personnel responsible for buildings, and land with buildings)

14. At completion of construction, provide information of new facilities or facility improvements (including Risk Management building number) to the Fixed Asset Accountant in the Comptroller's Office.
15. Refer to the current State Division of Finance Policies and Procedures for fixed assets. See **FIACCT 18-00.01**.
16. When land or buildings are sold or destroyed, advise Fixed Asset Accountant of the property identification numbers so they can be removed from FI-NET records.